

COMMERCE BUILDING, LLC

520 NEBRASKA ST.

Parcel #: 8947-20-403-005

5 STORY 80,108 Net Rentable square feet
Office Building 60,467 Occupied square feet
22,500 square foot site

STATUS: APPROXIMATELY 75% SQUARE FEET ARE OCCUPIED
APPROXIMATELY 69% SQUARE FEET PAY RENT

The Commerce Building is a 4 ½ story building originally built about 100 years ago. It was placed on the Historic Register and partially remodeled for 5 State offices about 15 years ago.

One of the State Offices, the Regional Office for the Department of Human Services took the entire 5th Floor, over 10,600 square feet. When a previous Governor reorganized and decentralized the Department, the State exercised its 60 cancelation clause and vacated the floor. There have been two short term renters in last 12 years, but nothing long term.

Attached is a Rent Roll. Two current tenants are here as "guests" and pay no rent. Suite 500 on the 5th floor is the temporary home to Hope Springs Church. The Tax Research Council at 516 Nebraska Street on the 1st floor pays only for housekeeping services. As a result we are at 69% occupancy with paying tenants.

The second attachment is the Income and Expense Report for 2012, 2013 and 2014. Utilities are up dramatically. Under these prevailing conditions the property is not worth \$910,000. If, and that is a big IF, we can correct the utility situation and save , say \$40,000 per year, the property might be worth something in the \$640,000 range.

COMMERCE BUILDING

INCOME & EXPENSE 2012, 2013, and 2014

PROPERTY ADDRESS 520 Nebraska Street
GIS # 8947-28-330-001

		2012	2013	2014
INCOME	RENT - COMERCE BLDG. Includes: STORAGE, VENDING, & PARKING INCOME.	\$341,319	\$336,999	\$332,386
EXPENSES	ADVERTISING	\$4,929.00	\$4,553.00	\$3,575.00
	CLEANING AND PAINTING	46,934	43,438	40,048
	ELEVATOR CONTRACT	26,320	25,140	27,477
	GARBAGE	1,862	1,862	2,134
	INSURANCE	12,422	9,355	10,257
	MECHANICAL SYSTEM CONTRACT	1,942	1,942	1,942
	OTHER TAXES AND LICENSES	25	375	400
	PROPERTY TAXES	37,695	37,995	36,130
	REPAIRS AND MAINTENANCE	23,213	24,023	27,510
	SNOW REMOVAL	2,460	3,800	2,780
	SUPPLIES	17,087	12,733	12,044
	TELEPHONE	2,254	2,251	2,351
	UTILITIES	81,507	92,912	130,370
		<u>258,650</u>	<u>260,379</u>	<u>297,018</u>
	NET INCOME	82,669	76,620	35,368

Rent Roll Report

Property : Commerce Building

Unit Reference Number	Occupant Name	Monthly Rent	Square Feet	Rent Per Square Feet	Lease Starting Date	Lease Exp Date	Deposits Held
210-101	Three Rivers Independent	940.00	3,194	3.53/yr 0.29/mth	3/01/11	2/28/2019	0.00
210-102	Three Rivers Independent	0.00	200	0.00/yr 0.00/mth			0.00
210-200	IA Dept of Revenue & Finance	2,095.00	2,226	11.29/yr 0.94/mth	11/01/07	10/31/2017	0.00
210-201	Yoga, Etc.	110.00	276	4.78/yr 0.40/mth	1/01/14	1/31/2014	0.00
210-204	Alex Fuller and Anthony Rossi	350.00	682	6.16/yr 0.51/mth	1/01/15	1/31/2015	350.00
210-206	VACANT	0.00	225	0.00/yr 0.00/mth			0.00
210-207	VACANT	225.00	227	11.89/yr 0.99/mth			0.00
210-208	VACANT	0.00	225	0.00/yr 0.00/mth			0.00
210-211	VACANT <i>Boat Radio</i>	<i>225.00</i> 0.00	445	0.00/yr 0.00/mth	<i>5/1/15</i>	<i>4/30/16</i>	0.00
210-215	IA DHS Child Support Recovery	0.00	413	0.00/yr 0.00/mth	7/01/07	10/31/2017	0.00
210-218	IA DHS Child Support Recovery	6,920.78	6,586	12.61/yr 1.05/mth	11/01/07	10/31/2017	0.00
210-223	Otis Elevator Company	235.00	498	5.66/yr 0.47/mth	2/01/15	1/31/2018	0.00
210-228	IA DHS Child Support Recovery	0.00	304	0.00/yr 0.00/mth	7/01/07	10/31/2017	0.00
210-233	Urban, Inc.	1,250.00	2,730	5.49/yr 0.46/mth	1/01/02		0.00
210-235	Urban, Inc.	0.00	0	0.00/yr 0.00/mth			0.00
210-237	Women Aware	650.00	1,337	5.83/yr 0.49/mth	2/01/13	7/31/2013	0.00
210-300	State of IA - Public Defender	3,141.59	4,070	9.26/yr 0.77/mth	11/01/07	10/31/2017	0.00
210-314	Siouxland Regional Housing	720.00	1,351	6.40/yr 0.53/mth	2/01/13	1/31/2014	341.25
210-315	IA Dept of Public Safety	1,206.70	1,570	9.22/yr 0.77/mth	11/01/07	10/31/2017	0.00
210-316	VACANT	0.00	503	0.00/yr 0.00/mth			0.00
210-319	Hunter Bows	540.00	1,812	3.58/yr 0.30/mth	2/01/10	1/31/2011	0.00
210-322	Birthright of Siouxland, Inc.	675.00	1,266	6.40/yr 0.53/mth	4/01/12	3/31/2013	270.75
210-324	VACANT	0.00	1,662	0.00/yr 0.00/mth			0.00
210-325	Talon Agency	340.00	683	5.97/yr 0.50/mth	9/01/12	8/31/2014	0.00
210-334	Law Offices of Dennis Mahr	1,595.00	2,588	7.40/yr 0.62/mth	2/15/11	2/14/2016	814.00
210-337	Iowa Legal Aid	1,300.00	3,073	5.08/yr 0.42/mth	10/01/11	9/30/2015	1,200.00
210-400	VACANT	0.00	672	0.00/yr 0.00/mth			0.00
210-401	Crary Law Firm	350.00	1,090	3.85/yr 0.32/mth	11/01/12	10/31/2013	0.00
210-402	VACANT	0.00	323	0.00/yr 0.00/mth			0.00

Rent Roll Report

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Unit Reference Number	Occupant Name	Monthly Rent	Square Feet	Rent Per Square Feet	Lease Starting Date	Lease Exp Date	Deposits Held
210-404	Sara Gotch	0.00	335	0.00/yr 0.00/mth	11/01/13	4/30/2014	0.00
210-405	DHS Case Management	277.46	326	10.21/yr 0.85/mth	11/01/12	10/31/2017	0.00
210-406	A & A Roofing	45.00	333	1.62/yr 0.14/mth	3/12/15	3/11/2016	0.00
210-408	Choices Counseling Practice	915.00	1,833	5.99/yr 0.50/mth	4/03/14	6/02/2015	0.00
210-409	VACANT	0.00	910	0.00/yr 0.00/mth			0.00
210-420	VACANT	0.00	3,309	0.00/yr 0.00/mth			0.00
210-421	Hope by Design	220.00	610	4.33/yr 0.36/mth	7/10/12		0.00
210-425	Pauline Sensenig/Ann McTaggart	275.00	878	3.76/yr 0.31/mth	5/01/11	4/30/2013	0.00
210-426	Bonnie West	100.00	490	2.45/yr 0.20/mth	5/01/07		0.00
210-427	Ann McTaggart	275.00	490	6.73/yr 0.56/mth	2/01/13	1/31/2014	0.00
210-430	Hunter Bows	200.00	603	3.98/yr 0.33/mth	12/09/02		0.00
210-433	VACANT	0.00	0	0.00/yr 0.00/mth			0.00
210-436	VACANT	0.00	0	0.00/yr 0.00/mth			0.00
210-438	VACANT	0.00	5,019	0.00/yr 0.00/mth			0.00
210-439	Kristin Hermelbracht/Jen Hokel	60.00	330	2.18/yr 0.18/mth	12/01/14	11/30/2015	0.00
210-440	VACANT	0.00	330	0.00/yr 0.00/mth			0.00
210-442	VACANT	0.00	115	0.00/yr 0.00/mth			0.00
210-500	VACANT	0.00	5,000	0.00/yr 0.00/mth			0.00
210-510	Hopesprings Community of Faith	0.00	3,934	0.00/yr 0.00/mth	2/19/14	2/26/2014	0.00
210-514	Lynne Black Wall	650.00	1,742	4.48/yr 0.37/mth	2/26/15	2/25/2017	650.00
210-516	Tax Research Conference	85.00	1,342	0.76/yr 0.06/mth	2/01/13	1/31/2014	0.00
210-518	S.T.E.M.M., Inc.	400.00	2,242	2.14/yr 0.18/mth	6/01/13	5/31/2016	0.00
210-520	Alloy Specialty	140.00	206	8.16/yr 0.68/mth	9/01/10	8/31/2011	0.00
210-522	Yoga, Etc.	685.00	895	9.18/yr 0.77/mth	8/01/14	7/31/2015	450.00
210-524	Brian Zimmerman	1,750.00	6,765	3.10/yr 0.26/mth	3/01/14	2/28/2017	1,500.00
210-525	VACANT	0.00	358	0.00/yr 0.00/mth			0.00
210-526	Steve King	770.00	1,164	7.94/yr 0.66/mth	1/03/15	1/02/2017	0.00
210-535	VACANT	0.00	170	0.00/yr 0.00/mth			0.00
210-550	VACANT	0.00	148	0.00/yr 0.00/mth			0.00

parking + storage

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210-BUC	Andrea Buckley	45.00	0	0.00/yr 0.00/mth	1/27/09		0.00
210-CER	Jennifer Wilkerson	45.00	0	0.00/yr 0.00/mth	11/01/07		0.00
210-DEN	Denker	45.00	0	0.00/yr 0.00/mth			0.00
210-DRE	Michelle Hynes	45.00	0	0.00/yr 0.00/mth			0.00
210-HAN	Sandy Hanlon	45.00	0	0.00/yr 0.00/mth	10/01/14		0.00
210-HAR	Susan Harris	45.00	0	0.00/yr 0.00/mth	5/15/08		0.00
210-HEC	Amy Hecht	35.00	0	0.00/yr 0.00/mth	1/01/15		0.00
210-HIT	Jeanie Hittle	35.00	0	0.00/yr 0.00/mth	2/01/14		0.00
210-HUL	VACANT	45.00	0	0.00/yr 0.00/mth			0.00
210-JAC	Tonya Jackson	35.00	0	0.00/yr 0.00/mth	7/23/14		0.00
210-JES	Lydia Jessip	45.00	0	0.00/yr 0.00/mth	12/01/05		0.00
210-JOE	Joe Kertels	45.00	0	0.00/yr 0.00/mth			0.00
210-KIR	Kate Kirts	45.00	0	0.00/yr 0.00/mth	1/01/13		0.00
210-LAU	VACANT	45.00	0	0.00/yr 0.00/mth			0.00
210-NGU	Casady Loomis	45.00	0	0.00/yr 0.00/mth	8/01/11		0.00
210-POL	VACANT	40.00	0	0.00/yr 0.00/mth			0.00
210-RAW	Ashley Rawlings	45.00	0	0.00/yr 0.00/mth	12/01/14		0.00
210-RIC	Vivian Rice	45.00	0	0.00/yr 0.00/mth	12/09/14		0.00
210-RUD	Jennifer Ruden	35.00	0	0.00/yr 0.00/mth	9/01/14		0.00
210-SCH	Melissa Schuldt	35.00	0	0.00/yr 0.00/mth	9/10/14		0.00
210-VLA	Vlaanderen	45.00	0	0.00/yr 0.00/mth			0.00
210-401B	Cora Sibley	100.00	0	0.00/yr 0.00/mth	8/07/12	9/06/2012	0.00
210-DAWN	Dawn Kelley	45.00	0	0.00/yr 0.00/mth			0.00
210-JERRY	Jerry Forbes	50.00	0	0.00/yr 0.00/mth	6/01/09	6/30/2009	0.00
210-RONDA	Ronda Schultz	45.00	0	0.00/yr 0.00/mth	11/01/07		0.00
210-TASHA	Tasha Johnson	45.00	0	0.00/yr 0.00/mth			0.00
210-TENUTA	Frank Tenuta	45.00	0	0.00/yr 0.00/mth			0.00

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PROPERTY TOTALS :

		<u>Percentage of Occupied Units</u>	
Total Occupied Rents	30,356.53	Total Occupied Units	63
Total Vacant Rents	355.00	Total Vacant Units	22
Total Gross Rents	30,711.53	Total Units	85
Total Square Footage	80,108	Percentage Occupied	74%
Average Rent/Sq. Ft. /Yr.	4.60	<u>Percentage of Occupied Sq. Feet</u>	
Average Rent/Sq. Ft. /Mth	0.38	Total Occupied Sq. Feet	60,467
Total Security Deposits	5,576.00	Total Vacant Sq. Feet	19,641
		Total Square Footage	80,108
		Percentage Occupied	75%



**Notice to Property Owner as to
Assessment by Board of Review
Regular Session
Section 441.35 - 441.39, Code of Iowa**

Commerce & Davidson, LLC
James C. Johnson, Manager
520 Nebraska St., Ste 233
Sioux City, IA 51101-0000

You are hereby notified that the Board of Review of City of Sioux City, on 6/1/2015, authorized the following actions regarding the assessment of the property described below:

Parcel Number 8947-28-330-001

Property Address 520 NEBRASKA ST
SIOUX CITY, IA 00000-0000

Original Class COMMERCIAL

Original Assessed Value \$910,000

New Class COMMERCIAL

New Assessed Value \$867,800

- ☐ Value of above described property to remain unchanged for the reason stated below.
- ☒ Value of above described property reduced for the reason stated below.
- ☐ Classification of above described property was changed.
- ☐ The Board of Review has increased the value of your above described property for the reason stated below.

Reason for Action of Board of Review:

With regard to the claim of overvalue: After consideration of all data presented to the Board, assessment was reduced.

- ☒ The Board of Review has taken final action on your above described property, and will adjourn June 2, 2015.

Appeals to the Property Assessment Appeal Board may be taken from the board of review action within 20 days after the adjournment date of the board of review or May 31st, whichever is later. You may bypass the Property Assessment Appeal Board and appeal to the district court. (Sec 441.37A, 441.38, 441.39, Code of Iowa)

Appeals to the district court may be taken from the board of review action within 20 days of adjournment or May 31st, whichever date is later. (Sec 441.38, 441.39, Code of Iowa)

Kathleen Fenceroy
Clerk of said Board of Review

NOTICE: In odd numbered years the foregoing assessments are subject to equalization pursuant to an order issued by the Director of Revenue. The County Auditor shall give notice on or before October 15 by publication in an official newspaper of general circulation of any class of property affected by an equalization order. The Board of Review shall be in session from October 15 to November 15 to hear protests of affected property owners or taxpayers whose valuations have been increased by an equalization order. You may file a protest from October 16 to October 25 if your property valuations have been adjusted by the equalization order.